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Spotlight ON FOREIGN MARKETING



TO U.S. AGRICULTURAL ATTACHÉS AND FAS STAFF MEMBERS

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ACTIVITIES TO PUSH. The need to expand export markets for U. S. agricultural products is constant. Here are some activities through which all of us could make important marketing contributions abroad:

1. Encourage the building of supermarkets. New merchandising and handling techniques of processed foods are rapidly catching on in many European and Latin American countries. Food products from the U. S. are usually associated with supermarkets.
2. Improving mixed feeds is rapidly becoming a necessary part of livestock and poultry production in meat deficit countries. Feedgrains in the U. S. are in plentiful supply, as well as oil cakes and meal. There is ample reason to believe that the mixed feed industry offers many good opportunities for building more overseas markets for these products.
3. The broiler industry can be expanded in many countries with some encouragement. This industry can be tied in directly with feedgrains and feed mixing ingredients.
4. From the over-all viewpoint, attaches should constantly encourage better nutrition. The wheat promotion in Japan is an excellent example of this type. This program encourages people to increase the variety of foods in their diets for better health.

PURCHASE OF SANTA GERTRUDIS BY PHILIPPINE GOVERNMENT.

The Philippine Government has completed the purchase of 150 Santa Gertrudis bulls from 14 different herds in the U. S. The first shipment of these bulls left this month.

Representatives of the Philippine Government report that Santa Gertrudis cattle, first purchased from the U. S. more than three years ago, have done especially well in that country. This performance has prompted the purchase of additional cattle.

U.S. FREE OF SWINE "VE" DISEASE. The USDA reports no instance of the swine disease "VE" (vesicular exanthema) has been found in the U. S. during the past year. Less than six years ago "VE" was at epidemic proportions in 42 states. Disease was caused chiefly from feeding uncooked garbage to swine. Laws in 47 States now prohibit such feeding; Conn. is the exception. Export sales of pork and pork products should improve.

FRANKFURT PAPER SAYS GERMAN REACTION TO U. S. POULTRY IS FAVORABLE. An article to this effect appeared recently in the Frankfurt Observer, stating that the type of poultry received is enjoying increasing popularity because it is first grade merchandise and is ready to cook. Some consumers, who noted that U. S. poultry was priced 10 percent higher than European birds, found that the absence of heads, feet, and intestines more than compensated for the difference in price. In fact, on the basis of usable meat, U. S. birds were actually cheaper than any other kind on the German markets.

German traders are happy about consumer acceptance of U. S. poultry. However, the paper noted that the importation of poultry--except from Holland and Denmark--is still subject to tenders and licensing. Thus far, efforts to further liberalize imports of U. S. poultry into Germany have been blocked by agricultural interests there.

PROGRESS IN FOOD RESEARCH. Potato flakes, a new form of dehydrated mashed potatoes developed at the Eastern Laboratory, successfully passed a marketing test.

A method of preserving dairy cream with added sugar was perfected by Eastern Laboratory workers stationed in Washington, D. C. This sugar-preserved cream, with 40 percent butterfat, keeps well without refrigeration.

At the Western Laboratory, Albany, Calif., comprehensive new knowledge of the changes that may occur in frozen foods between the processing plant and the consumer was gained from studies of the effects of storage time and temperature levels on a variety of frozen products.

Further progress was made in developing the preservation method for fruits and vegetables called dehydrofreezing. It consists of removing about half to two-thirds of the water in a commodity and then freezing the partially dehydrated product. Dehydro-frozen peas were successfully market tested.

U. S. MEAT EXPORTS RISE. During the first 9 months of 1957, U. S. red meat exports rose 11 percent over the same period in 1956. Due to a reduction in exports of horsemeat and variety meats, total exports of meat and meat products did not change. Higher prices in the U. S. for meat and reduced shipments under Public Law 480 have reduced the rate of increase for meat exports.

Due to larger P. L. 480 shipments to Spain, Israel, and Turkey during the first half of 1957, beef was again the largest export class.

TWO-WAY TRADE PROMOTION BY PRIVATE BUSINESS. The following is quoted verbatim (except for omission of brand name) from a recent American advertisement: "Norway buys California citrus. California citrus growers buy Norwegian calcium nitrate. Your dollars spent on calcium nitrate help provide Norway with the dollars they need to buy your citrus. No government help - just a sound basis for reciprocal trade. It's a real across-the-sea handshake!"

COMMODITY ROUNDUP.

Cotton--Sales for unrestricted use (under CCC Sales Announcement NO-C-5) on November 25, 1957 totaled 501,229 bales. The next sale for unrestricted use on December 16 was 570,975 bales.

Sales for export only (under CCC Sales Announcement NO-C-9) on December 3, 1957 totaled 360,817 bales. The next sale for export will be December 24.

Soybeans--On December 1, CCC shifted to a new crop basis in establishing minimum sales prices for one million bushels of soybeans in its inventory. While this action had the effect of reducing CCC's minimum price by about 15 cents per bushel, it had little effect on domestic market prices. CCC also announced details of sales program for 1957 crop which may be acquired after loan maturity date May 31, 1958.

Beginning in June, soybeans in CCC stocks will be offered for domestic crushing or export at the higher of (1) the domestic market price, or (2) the 1957 support price for No. 2, plus a quality adjustment factor, plus carrying charges of 1-1/2 cents per month. Market discounts and premiums for quality will apply. This program will be similar to the one carried out on 1956 crop beans last summer.

Soybean inspection for export from October through December 13 totaled 33 million bushels, or one million bushels more than same period in 1956.

Wool--Except for a few scattered lots of reduced commercial value, which may be rejected under the Turkish barter transaction, CCC's inventory has been completely liquidated.

Barley--Sales from CCC stocks during the period November 23 - December 13 totaled 4,976,000 bushels at prices ranging from .91-3/4 for F.O.B. Gulf ports to .95-3/4 for F.O.B. North Atlantic ports. Overseas reports indicate that barley being exported is of a high quality.

NEW FOOD BEING MADE FROM SOYBEANS. Soybean growers have a new, potential market for their product. Some processors are starting to turn out a high-protein food product made from soybean flakes, which is what's left after the oil is extracted from the beans.

Up to now, the main use for beans in this country has been for the oil and as livestock protein. But processors see a big, brand new market for it as a food additive.

To show how enthusiastic they are about their new product, one company is building a \$4 million plant in Indianapolis to produce the product. It has been in limited production for three years.

Another company claims that the product improves the quality of protein in wheat flour and breakfast cereal. They look for its wide-scale use in baby foods.

Besides the high protein content--about 95%--it is said to have physical properties that make good pressurized dessert topping, all-vegetable margarine, even coffee "cream."

The "product costs only 30¢ a pound," says a research consultant.

Other soybean processors are reported giving serious thought to large-scale production.

TABLE 1, GUIDE TO COMMERCIAL SALES

Commodity	Unit	Grade, Type or Variety	Location	Latest Price week of 12/13/57	Price Year Earlier
Wheat <u>1/</u>	Bushel	#2 H. W.	Galveston	\$2.42-2.52	\$2.49-2.55
"	"	#1 S. W.	Portland	2.30-2.31	2.45-2.46
"	"	#2 S. R. W. Vessel	Baltimore	2.37	2.67
Beans	100#	Pinto	Gulf, FAS	7.35-7.55	--
Dry Peas	"	#1 Alaska	W. Coast, FAS	4.60-4.70	--
Cottonseed Oil	Pound	B.P.S. Y.	Dec. Fut. N. Y.	.1705	.1637
Soybean Oil	"	Refined	New York	.1462	.1738
Cottonseed Oil	"	Crude	Valley	.1438	.1375
Soybean Oil	"	Crude	Decatur, Ill.	.1138-.1150	.1400
Linseed Oil	"	Raw	Minneapolis	.1500	.1350
Soybeans	Bushel	#1	Chicago	2.29	2.53
Lard	Pound	Refined 50# tin	Chicago	.1350	.1625
Tallow	"	Prime Inedible	Chicago-FOB	.07625	.06875
Greases	"	Choice White	" "	.07875	.0725
Cottonseed Meal	Sh. Tn.	41% Bagged	Memphis	56.00	58.50
Soybean Meal	" "	44% Bagged	Decatur	48.50	52.25
Cheese	Pound	Cheddar	Wis. Prim. Mkts.	.3408-.35	.34125-.35
Milk, Evap.	Case	48-14 1/2 oz.	Pac. Cst. Mkts.	6.10-6.60	5.75-6.35
Eggs, Shell	Doz. Med.	Mixed colors	New York	.38-.39	.3525-.36
" Dried	Pound	Whole	" "	1.20-1.38	1.04-1.16
Beef Trimmings	"	75-85% lean froz.	Chicago	.3350	.2300
Beef Hearts	"	Regular frozen	"	.1750	.1100
Beef Livers	"	" "	"	.1650	.1325
Pork Trimmings	"	" "	"	.1600	.1400
Chicken, R. C.	"	Gr. A Broilers	New York	.275-.32	.29-.32
Turkey, R. C.	"	Gr. A Beltsville	" "	.36-.365	.425-.45
Canned Apricots	Doz. #2-1/2	Choice Halves	FOB-Calif.	3.075	3.00-3.15
" Peaches	Doz. #2-1/2	" "	" "	2.50	2.725
" Pears	Doz. #2-1/2	" "	" "	3.25	3.60
Grapefruit Secs.	Doz. #303	Fancy, Lt. syrup	FOB-Florida	1.675	1.60
Orange Juice	Doz. 46 oz.	Sweetened	" "	2.25	2.60
Oranges, Fresh	Std. Ctn.	Size 163 Valencia	FOB-Calif.	2.10	NA
Lemons, Fresh	" "	" "	" "	2.75	2.90
Raisins	Lb. Bulk	Natl. Thompson	FAS-Calif.	.185	.125
Prunes	Pound	80-90	" "	.115-.12	.1175
Apples, Fresh	Box	Ex. Fcy. 138 & lgr.	FOB-Washington	3.00-3.15	4.60-4.65

1/ Domestic sales price. Export sales subject to IWA or CCC subsidy.

TABLE II, CCC PORT PRICES FOR EXPORT

Commodity	Unit	Grade, Type or Variety	Port Location	Latest Prices	Date of Sales 1957
Corn	Bushel	No. 2 Yellow	Atlantic track	\$1.26-3/4	Dec. 9-13
			Gulf track	1.20-1/2 - 1.22-3/4	
			Laredo	1.37-3/4 - 1.39-1/4	
Grain Sorghum	Cwt.	Yellow Milo	Gulf	1.92-1/4 - 1.93-1/8	"
Barley	Bushel	No. 3 & 4	FAS Gulf & N.W. Ports	.93-1/4 - .94-1/4	"
Oats	"	No. 3 Heavy	Gulf	.53-1/4	"
		No. 5 Red		.55 - .55-3/8	
Rice	Cwt.	Milled	Gulf	5.86 - 6.75	"
Butter	Pound		Any U.S. Port	.39 (fixed)	"
Milk	"	Spray	Any U.S. Port	.099 (fixed)	"